FOREST MANAGEMENT SERVICES
& LOCAL FARM SUPPLY COOPERATIVES

LARRY WojCHIK
GOLDSTAR COOPERATIVE
NEW RICHMOND, WI

1996 WI FOREST STATISTICS
1997 CENSUS OF AGRICULTURE

• FORESTRY IS $19B INDUSTRY IN WI
• 56% OF ALL TIMBERLAND IN WI IS FAMILY-OWNED
• A THIRD OF THESE ARE ON FARMS
• OVER 3 MILLION ACRES
• ONLY 28% OF THESE LANDOWNERS HAVE REQUESTED FORESTRY MGT. ASSISTANCE
WOODLANDS CAN BE A VALUABLE ECONOMIC PART OF THE FARM

- HARDWOOD STANDS CAN PRODUCE $200+ IN TIMBER/ACRE/YEAR
- PINE PLANTATIONS CAN PRODUCE ONE CORD/ACRE FOR EVERY YEAR AFTER PLANTING
- FARMER FOCUS IS ON ROW CROPS

STUDY COMMISSIONED 2004

- COOPERATIVE DEVELOPMENT SERVICES
- US DEPARTMENT OF COMMERCE
- SHELL LAKE COOPERATIVE
- GOLDSTAR COOPERATIVE
PURPOSE OF STUDY

- DETERMINE IF A VALUE ADDED APPROACH TO FARM WOODLANDS & TREES AS A VALUE ADDED CROP COULD PROVIDE FARMERS & LOCAL COOPS WITH A MEANS TO IMPROVE THEIR ECONOMIC SUSTAINABILITY.

LANDOWNER CHALLENGE

- SMALL ACREAGE OF WOODLAND ON ANY ONE FARM MAKES IT DIFFICULT TO OBTAIN ANYTHING BUT THE LOWEST PRICE FOR TIMBER
- LACK OF FOREST MANAGEMENT PLANS
- HOW TO PARTICIPATE IN VALUE ADDED CHAIN
STRATEGY

• INTEGRATE VS DUPLICATE
• CONTRACT WITH LIVING FOREST COOPERATIVE AS A SERVICE PROVIDER
• USE LOCAL COOPERATIVE AGRONOMISTS FOR CONTACTS & REFERRALS

SOME KEY SUCCESS FACTORS

• PROJECT MANAGER
• FOREST MANAGEMENT EDUCATION
• 80-100 FARM SIGNUPS IN 2 YEARS
• CREATE VALUE ADDED CHAIN
  – PULP WOOD
  – SAW LOGS
  – VENEER LOGS, CUSTOM MILLING
  – MULCH & COMPOST
SERVICE AREA

- 11 COUNTIES IN NW WISCONSIN
- 10,601 FARMS
- AVERAGE FARM IS 201 ACRES
- AVERAGE FARM HAS 41 ACRES OF WOODLAND
- AVERAGE MARKET VALUE OF FARM PRODUCTION IS $53,211
  - 61% FROM ANIMAL PRODUCTS
  - 25% FROM CROPS
  - 14% FROM FORESTRY PRODUCTS

LOCAL COOP CHALLENGES

- MANAGING WOODLANDS IS LOW PRIORITY FOR LANDOWNER
- AGRONOMISTS FOCUS IS ON ROW CROPS & ALFALFA
- FUNDING ISSUE – PROJECT MANAGER
- RESULTING LACK OF SIGNUPS
- WORK IN PROGRESS – NEXT STEP?
IN SUMMARY

• WORTHY PROJECT WITH POTENTIAL BENEFITS TO LANDOWNER, LOCAL COOP & ENVIRONMENT
• NEW MARKETING STRATEGY NEEDED TO GET ACRES SIGNED UP
• NO GUARANTEE THAT PROJECT WILL BE SUCCESSFUL